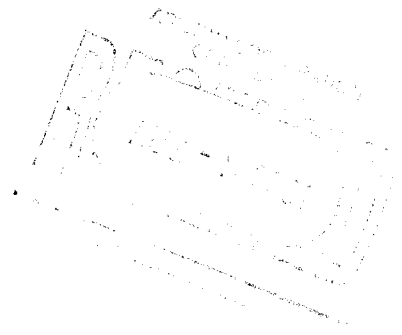


The Morenci Water & Electric Company
66 Fairbanks Road
P.O. Box 68
Morenci, Arizona 85540
Telephone: (928) 865-2229
Facsimile: (928) 865-5261



July 31, 2001

Arizona Corporation Commission
Utilities Division
Attn: Pat Williams
1200 West Washington Street
Phoenix, Arizona 85007

RE: Annual Report for 2000 Amended

Dear Mr. Williams:

Please find enclosed one (1) copy each of the Water Annual Report and Electric Annual Report. In the review of our annual FERC Form 1, our auditors requested adjustments to our financial statements that result in revisions to the ACC annual report submitted on April 16, 2001. Enclosed is the amended report reflecting these revisions. The adjustments to the report are as follows:

Water filing:

	<u>Page</u>	<u>Original</u>	<u>Amended</u>
• Other Deferred Debits	7	262,296	510,218
• Total Assets	7	10,210,126	10,458,048
• Acct. No. 231	8	5,717,623	5,543,868
• Acct. No. 234	8	962,270	1,813,773
• Acct. No. 236	8	378,400	238,693
• Total Current Liab.	8	7,107,207	7,645,248
• Acct. No. 281	8	-11,532	0
• Total Deferred Credits	8	-11,532	0
• Total Liabilities	8	7,875,631	8,425,204
• Acct. No. 215	8	920,680	619,029
• Total Capital	8	2,334,495	2,032,844
• Total Liab. & Capital	8	10,210,126	10,458,048
• Current Year Interest	10	36,911	40,327

Electric filing:

	<u>Page</u>	<u>Original</u>	<u>Amended</u>
• Other Deferred Debits	7	262,296	510,218
• Total Assets	7	10,210,126	10,458,048
• Acct. No. 231	8	5,717,623	5,543,868
• Acct. No. 234	8	962,270	1,813,773
• Acct. No. 236	8	378,400	238,693
• Total Current Liab.	8	7,107,207	7,645,248
• Acct. No. 281	8	-11,532	0
• Total Deferred Credits	8	-11,532	0
• Total Liabilities	8	7,875,631	8,425,204

The Morenci Water & Electric Company

• Acct. No. 215	8	920,680	619,029
• Total Capital	8	2,334,495	2,032,844
• Total Liab. & Capital	8	10,210,126	10,458,048
• Acct. No. 615	9	57,972,372	58,209,657
• Acct. No 675	9	41,998	277,131
• Acct. No. 409	9	90,128	67,538
• Total Oper. Exp	9	58,893,622	59,343,430
• Income Tax Deferred	9	90,128	36,011
• Acct. No. 427	9	36,911	40,327
• Total Other Inc./Exp	9	26,804	50,434
• Net Income/Loss	9	434,995	188,564
• Current Year Interest	10	36,911	40,327

Please let me know if you have any questions or comments.

Sincerely,



D.L. True
Superintendent

Enclosures

MS/ms

Xc: Lex Zerwas w/o copies
Choi Lee w/o copies
Robert Reed w/o copies
File w/copies
Accounting files w/copies

8-2-01
am

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

E-01049A ELECTRIC
MORENCI WATER AND ELECTRIC COMPANY
PO BOX 68
MORENCI AZ 85540-0000

*WE NEVER RECEIVED THE ANNUAL REPORT FORM FOR THE ELECTRIC UTILITY.
WE MODIFIED THE WATER FORM.

ANNUAL REPORT

FOR YEAR ENDING

12	31	2000
----	----	------

FOR COMMISSION USE

ANNOL	00
-------	----

- 3 AUG 2001

COMPANY INFORMATION

Company Name (Business Name) <u>THE MORENCI WATER & ELECTRIC COMPANY</u>			
Mailing Address <u>P.O. BOX 68</u>			
(Street)			
<u>MORENCI,</u>	<u>AZ</u>	<u>85540</u>	
(City)	(State)	(Zip)	
<u>520-865-2229</u>	<u>520-865-5261</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address <u>dtrue@phelpsdodge.com</u>			
Local Office Mailing Address <u>Same as above.</u>			
(Street)			
(City) (State) (Zip)			
Local Office Telephone No. (Include Area Code) <u>520-865-2229</u>			
Fax No. (Include Area Code) <u>520-865-5261</u>			
Pager/Cell No. (Include Area Code)			
Email Address _____			

MANAGEMENT INFORMATION

Management Contact: <u>DENNIS L. TRUE</u>		<u>SUPERINTENDENT</u>	
(Name)		(Title)	
<u>P.O. BOX 68</u>	<u>MORENCI</u>	<u>AZ</u>	<u>85540</u>
(Street)	(City)	(State)	(Zip)
<u>520-865-2229</u>	<u>520-865-5261</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address <u>dtrue@phelpsdodge.com</u>			
On Site Manager: <u>Same as above.</u>			
(Name)			
(Street) (City) (State) (Zip)			
Telephone No. (Include Area Code) <u>520-865-2229</u>			
Fax No. (Include Area Code) <u>520-865-5261</u>			
Pager/Cell No. (Include Area Code)			
Email Address _____			

Statutory Agent: ALEXIS D. ZERWAS

(Name)

4521 HWY 191

(Street)

MORENCI,

(City)

AZ

(State)

85540-9795

(Zip)

520-865-6252

Telephone No. (Include Area Code)

520-865-5288

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: BROWN & BAIN

(Name)

2901 NORTH CENTRAL AVENUE

(Street)

PHOENIX,

(City)

AZ

(State)

85012-2788

(Zip)

602-351-8105

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- ☐ Sole Proprietor (S)
 ☒ C Corporation (C) (Other than Association/Co-op)
- ☐ Partnership (P)
 ☐ Subchapter S Corporation (Z)
- ☐ Bankruptcy (B)
 ☐ Association/Co op (A)
- ☐ Receivership (R)
 ☐ Limited Liability Company
- ☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|-----------------------------------|--|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input checked="" type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

SERVICES AUTHORIZED TO PROVIDE

AMENDED

Check the following box/s for the services that you are authorized to provide:

☐ **Electric**

- ☐ Investor Owned Electric
- ☐ Rural Electric Cooperative
- ☐ Electric Service Provider
- ☐ Transmission Service Provider
- ☐ Utility Distribution Company
- ☐ Meter Service Provider
- ☐ Meter Reading Service Provider
- ☐ Billing and Collection
- ☐ Ancillary Services

☐ **Telecommunications**

- ☐ Incumbent Local Exchange Carrier
- ☐ Interexchange Carrier
- ☐ Competitive Local Exchange Carrier
- ☐ Reseller
- ☐ Alternative Operator Service Provider

☐ **Gas**

- ☐ Natural Gas
- ☐ Propane

☐ **Other (Specify)** _____

STATISTICAL INFORMATION

Total number of customers (All Utilities)	1999	
Total access lines (Telecommunications Only)	—	lines
Total kiloWatt hours sold (Electric Utility Only)	1,293,240,803	kWh
Maximum Peak Load (Electric Utility Only)	184.6	mW
Total therms sold (Gas Utility Only)	—	therms

COMPANY NAME MORENCI WATER & ELECTRIC - ELECTRIC ONLY

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303 360	Land and Land Rights	620	—	620
304 361	Structures and Improvements	806,957	741,749	65,208
307 362	STATION EQUIPMENT SWITCH GEARS Wells and Springs CIRCUIT BREAKERS	342,679	270,793	71,886
311 363	Pumping Equipment STORAGE BATTERY EQUIPMENT			
320 364	POLES, TOWERS, AND FIXTURES Water Treatment Equipment	155,873	64,830	91,043
330 365	Distribution Reservoirs and Standpipes			
331 366	Transmission and Distribution Mains			
333 367	SERVICES UNDEGROUND CONDUCTORS & LINE TRANSFORMERS	24,703	1,853	22,850
334 368	Meters and Meter Installations	5,106	1,404	3,702
335 369	Hydrants SERVICES			
336 370	Backflow Prevention Devices METERS	16,355	9,407	6,948
339 371	INSTALLATION ON CUSTOMER PREMISE Other Plant and Misc. Equipment	195,483	146,691	48,792
340 391	Office Furniture and Equipment			
341 392	Transportation Equipment	336,139	160,182	175,957
343 394	Tools, Shop and Garage Equipment			
344 395	Laboratory Equipment			
345 396	Power Operated Equipment			
346 397	Communication Equipment			
347 398	Miscellaneous Equipment			
348 399	Other Tangible Plant			
	TOTALS	1,883,915	1,396,909	487,006

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

MORENCI WATER & ELECTRIC - ELECTRIC ONLY

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303 360	Land and Land Rights	620	—	
304 361	Structures and Improvements	806,957	3%	23,007
307 362	Wells and Springs STATION EQUIPMENT	342,679	6%	20,504
311 363	STORAGE BATTERY EQUIPMENT Pumping Equipment			
320 364	POLES, TOWERS, FIXTURES Water Treatment Equipment	155,873	5%	7,794
330 365	LINE TRANSFORMERS Distribution Reservoirs and Standpipes			
331 366	UNDERGROUND CONDUIT Transmission and Distribution Mains			
333 367	Services UNDERGROUND CONDUCTORS & DEVICES	24,703	5%	1,235
334 368	LINE TRANSFORMERS Meters and Meter Installations	5,106	5%	255
335 369	Hydrants SERVICES			
336 370	METERS Backflow Prevention Devices	16,355	5%	818
339 371	INSTALLATION CUSTOMER PREMISE. Other Plant and Misc. Equipment	195,483	4%	8,210
340 391	Office Furniture and Equipment			
341 392	Transportation Equipment	336,139	3%	9,780
343 394	Tools, Shop and Garage Equipment			
344 395	Laboratory Equipment			
345 396	Power Operated Equipment			
346 397	Communication Equipment			
347 398	Miscellaneous Equipment			
348 399	Other Tangible Plant			
	TOTALS	1,883,915	—	71,603

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

COMPANY NAME MORENCI WATER & ELECTRIC - COMBINED

BALANCE SHEET***WATER & ELECTRIC UTILITIES COMBINED.**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 173,229	\$ 176,620
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	4,192,123	5,751,067
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments	—	4,539
174	Miscellaneous Current and Accrued Assets	10,541	—
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 4,375,893	\$ 5,932,226
	FIXED ASSETS		
101	Utility Plant in Service	\$ 6,706,336	\$ 6,893,342
103	Property Held for Future Use		
105	Construction Work in Progress	1,106,126	1,628,868
108	Accumulated Depreciation – Utility Plant	(4,286,333)	(4,506,606)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 3,526,130	\$ 4,015,604
	OTHER DEFERRED DEBITS	145,974	510,218
	TOTAL ASSETS	\$ 8,047,996	\$ 10,458,048

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME MORENCI WATER & ELECTRIC - COMBINED

BALANCE SHEET (CONTINUED)

Acct. No.	*WATER & ELECTRIC UTILITIES COMBINED	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$ 4,225,462	\$ 5,543,868
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	800,294	1,813,773
235	Customer Deposits		
236	Accrued Taxes	202,867	238,693
237	Accrued Interest		16,858
241	Miscellaneous Current and Accrued Liabilities	26,625	32,056
	TOTAL CURRENT LIABILITIES	\$ 5,255,248	\$ 7,645,248
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 360,064	\$ 360,064
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	OTHER DEFERRED CREDITS	430,675	419,892
	TOTAL LIABILITIES	\$ 6,045,987	\$ 8,425,204
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 1,413,815	\$ 1,413,815
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	588,194	619,029
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 2,002,009	\$ 2,032,844
	TOTAL LIABILITIES AND CAPITAL	\$ 8,047,996	\$10,458,048

COMPANY NAME MORENCI WATER & ELECTRIC - ELECTRIC ONLY

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue ELECTRIC	\$ 46,960,502	\$ 59,064,265
460	Unmetered Water Revenue		379,200
474	Other Water Revenues	588	2,084
	TOTAL REVENUES	\$ 46,961,090	\$ 59,445,549
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 202,796	\$ 243,417
610	Purchased Water		
615	Purchased Power	45,912,697	58,209,657
618	Chemicals		
620	Repairs and Maintenance	179,502	142,335
621	Office Supplies and Expense		
630	Outside Services	168,553	103,556
635	Water Testing		
641	Rents	3,521	3,325
650	Transportation Expenses		
657	Insurance - General Liability	6,561	6,014
659	Insurance - Health and Life	54,654	126,666
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	81,921	277,131
403	Depreciation Expense	38,236	71,603
408	Taxes Other Than Income	30,712	85,251
408.11	Property Taxes	(5,807)	6,937
409	Income Tax	88,063	67,538
	TOTAL OPERATING EXPENSES	\$ 46,761,409	\$ 59,343,430
	INCOME TAX DEFERRED	(55,217)	36,011
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$ 21,539	\$ 10,107
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	(40,327)	40,327
	TOTAL OTHER INCOME/EXP	\$ (18,788)	\$ 50,434
	NET INCOME/(LOSS)	\$ 234,229	\$ 188,564

COMPANY NAME

MORENCI WATER & ELECTRIC - COMBINED

*WATER & ELECTRIC UTILITIES COMBINED.

SUPPLEMENTAL FINANCIAL DATA**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	10/10/85			
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$ 360,064	\$	\$	\$
Amount Outstanding	\$ 360,064	\$	\$	\$
Date of Maturity	12/31/08			
Interest Rate	11.2%			
Current Year Interest	\$ 40,327	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ _____

Meter Deposits Refunded During the Test Year

\$ _____

COMPANY NAME

MORENCI WATER & ELECTRIC

WATER COMPANY PLANT DESCRIPTIONWELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
N/A				

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = _____

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity

STATISTICAL INFORMATION

AMENDED

Total number of customers N/A

Total number of gallons sold _____ gallons

COMPANY NAME MORENCI WATER & ELECTRIC - ELECTRIC ONLY

YEAR ENDING 12/31/2000

PROPERTY TAXESAmount of actual property taxes paid during Calendar Year 2000 was: \$ 6937

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

TOTAL BOTH WATER & ELECTRIC = \$31,458

COMPANY NAME MORENCI WATER & ELECTRIC YEAR ENDING 12/31/2000INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported _____
Estimated or Actual Federal Tax Liability _____State Taxable Income Reported _____
Estimated or Actual State Tax Liability _____

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances _____
Amount of Gross-Up Tax Collected _____
Total Grossed-Up Contributions/Advances _____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

SIGNATURE_____
DATE_____
PRINTED NAME_____
TITLE

*INFORMATION COMING FROM CORPORATE OFFICE.

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

AMENDED

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) GREENLEE
NAME (OWNER OR OFFICIAL) TITLE DENNIS L. TRUE
COMPANY NAME MORENO WATER & ELECTRIC COMPANY

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2000

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2000 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 59,443,465

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 0
IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST
INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 16th DAY OF

(SEAL)

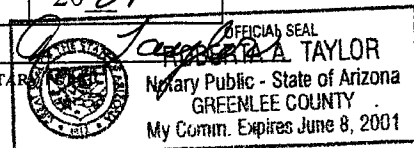
MY COMMISSION EXPIRES June 8, 2001

Dennis L. True
SIGNATURE OF OWNER OR OFFICIAL

520-865-2229
TELEPHONE NUMBER

COUNTY NAME <u>Greenlee</u>	
MONTH <u>April</u>	<u>20 01</u>

Robert A. Taylor
SIGNATURE OF NOTARY



VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

AMENDED

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

(COUNTY NAME) GREENLEE	
NAME (OWNER OR OFFICIAL) DENNIS L. TRUE	TITLE SUPERINTENDENT
COMPANY NAME MORENCI WATER & ELECTRIC COMPANY	

MONTH	DAY	YEAR
12	31	2000

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2000 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ 1,344,984

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 0
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

X Dennis L. True
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

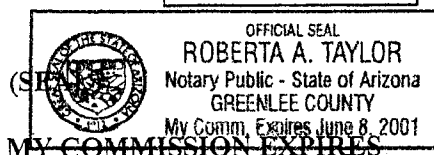
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

16th

DAY OF

NOTARY PUBLIC NAME ROBERTA A. TAYLOR	
COUNTY NAME GREENLEE	
MONTH Apr. '1	20 01



X Roberta A. Taylor
SIGNATURE OF NOTARY PUBLIC

12865

PAGE 1 of 1

*****COPY*****COPY*****COPY*****COPY*****COPY*****

**Morenci Water & Electric
Morenci, Arizona**

VENDOR: Greenlee County Treasurer

DATE: 10/12/00

13084

Invoice Number	Invoice Date	Amount	Discount	Net Amount
3177	09/27/00	0.10		0.10
3178	09/27/00	9.36		9.36
5159	09/27/00	72.91		72.91
5402	09/27/00	1,406.26		1,406.26
5403	09/27/00	2,640.53		2,640.53
5404	09/27/00	6,514.43		6,514.43
5405	09/27/00	1,733.58		1,733.58
5453	09/27/00	116.91		116.91
5454	09/27/00	1,497.54		1,497.54
5455	09/27/00	48.32		48.32
5456	09/27/00	1,603.03		1,603.03
5457	09/27/00	39.22		39.22
5458	09/27/00	778.87		778.87
TOTALS:		\$16,461.06	\$82.37	\$16,461.06

The attached check is in payment for items described above.

PAGE 1 of 1

The Morenci Water & Electric Company
P.O. Box 68
Morenci, AZ 85540-0068

Community First National Bank
Morenci, AZ

91-564
1221

13084

DATE
10/12/00

AMOUNT
****\$16,790.33**
NOT VALID AFTER 180 DAYS

PAY
TO THE
ORDER
OF:

Greenlee County Treasurer
P.O. Box 1227
Clifton AZ 85533

NON-NEGOTIABLE

AUTHORIZED SIGNATURE

****COPY****COPY****COPY****COPY****COPY****